

Memorandum



Date: September 3, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Supplemental Information for Amendment No. 2 to Bermello, Ajamil & Partners, Inc.
for the Joseph Caleb Center

Supplement to
Agenda Item No. 8(F)2

During discussion of the resolution authorizing Amendment No. 2 to an agreement for design services for the Joseph Caleb Center project (Legistar 141249) at the June 10, 2014 Finance Committee meeting, members deferred the item pending additional information. More specifically, members asked if staff can further reduce the value of Amendment No. 2 and wanted a breakdown of the \$2.501 million spent so far on the project.

The County negotiated with the consultant to reduce their original proposed fee from \$797,000 to \$450,000 for the new design that includes the tower renovations. The current recommendation for Amendment No. 2 includes \$400,000 for architectural and engineering design services, and \$50,000 for threshold inspection services to ensure the safety and security of the parking garage. No additional funds for construction administration are requested. This fee was negotiated based on the additional work required to incorporate courtrooms and related support services into the tower, since the standalone courthouse was removed from the scope of the project.

The total construction budget for this project, including the parking garage and tower renovations and surface lot, is \$20.4 million. To date, the consultant has been paid \$1.904 million for the design process, permitting and bidding phases of the original project. There is an additional \$597,168 in pending payments to the consultant. The total design fee for the consultant, after approval of Amendment 2, would be \$2.951 million. Therefore, the overall consultant fee-to-construction cost ratio is 14.4 percent, which is within the average for contracting (10 – 15 percent is the usual range). A break-down of the \$1.904 million paid to date is below:

1. \$1,534,787 was spent on schematic design, design development, and 100% construction documents for the original project, which included a stand-alone courthouse building, a parking garage, an open air plaza, and renovations to enclose the atrium. The amount spent includes the latest 2013 re-design and re-permitting activities necessary for a stand-alone, new 324 parking-space garage currently in the process to be awarded.
2. \$183,371 was spent from the Dedicated Allowance on a variance procedure to reconfigure a left-turn at the site that was necessary to allow for a required water main extension. The amount spent also included specialty services provided by the Consultant to secure a LEED Silver certification for the original facility.
3. \$186,146 was spent from the Contingency Allowance on the design of the required water main extension, as well as re-design and re-permitting of drawings to reflect a 10,000 square-foot-addition to the original courthouse design requested by the Courts in 2010.

While the items listed above represent a total spent to date in the amount of \$1,904,304, the project budget also reflects an encumbered balance of \$597,168. This balance is to be utilized by the Consultant on the following specific services:

1. \$389,942 is included for construction administration services by the Consultant through completion of construction.
2. \$148,184 is included for unforeseen conditions that may appear during the construction of the facility.
3. \$59,042 is dedicated to fund the Art in Public Places Trust fund, and to address pending LEED-related services during construction.

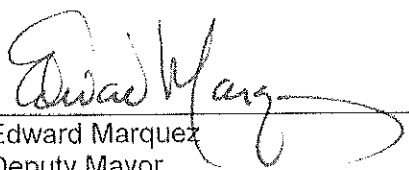
Below is a history of the project as explained to members at the Finance Committee:

- The original construction project was advertised on August 28, 2012 to provide a courthouse building, a parking garage, and atrium renovations for the existing tower. Bids were received on January 11, 2013, with the lowest bid being 47 percent over the estimated construction cost of \$17.6 million.
- It is uncommon for bids to come in more than ten percent above the estimated construction cost. However, the County's standard boilerplate contract for Professional Services Agreements, such as the one in place with Bermello, Ajamil, & Partners, Inc., does contain language to provide the County with recourse options should the construction bids exceed ten percent of the estimated construction cost.
 - Rebid the work with revised contract documents that Bermello, Ajamil, & Partners, Inc. must complete without charge; and
 - Suspend or abandon the project.

A number of factors contributed to the County's decision to move forward with the project, including the exceptional construction market cost fluctuations at that time and the significant need for these improvements to be completed at the Caleb Center, among others.

After deliberate consideration of the available project funding, a decision was made to reject all proposals, downsize the project to remove the courthouse component, reutilize existing design drawings to proceed on the construction of a new parking garage, and dedicate two floors of the existing Caleb tower to incorporate much-needed courtrooms and related services.

- It is recommended that the Committee authorize Amendment No. 2 to the amend the design-build professional services agreement between Miami-Dade County and Bermello, Ajamil, & Partners, Inc. for the Joseph Caleb Center project.


Edward Marquez
Deputy Mayor